

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION

MAY 13 2002

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

R

W-03254A
RANCHEROS BONITOS WATER CO., L.L.C.
14550 S. AVENUE 4E
YUMA AZ 85365-

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
----	----	------

FOR COMMISSION USE

ANN04	01
-------	----

Processed by:

5-13-02 C W

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Rancheros Bonitos Water Co.</u>			
Mailing Address <u>14550 Ave. 4E</u>			
<u>Yuma</u> (City)	<u>ARIZONA</u> (State)	<u>85365</u> (Zip)	
<u>9287264094</u> Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address _____			
 (City)	 (State)	 (Zip)	
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>Don Scarbrough</u>			
<u>14550 Ave 4E</u> (Street)		<u>Yuma</u> (City)	<u>operator</u> (Title)
<u>AZ</u> (State)	<u>85365</u> (Zip)		
<u>928 726-4199</u> Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>SAME</u>			
 (Street)	 (City)	 (State)	 (Zip)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: _____
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☒ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☒ YUMA

☐ STATEWIDE

COMPANY NAME

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	50,000		50,000
304	Structures and Improvements	1,000	500	500
307	Wells and Springs	17,469	875	16,594
311	Pumping Equipment	4850	2425	2425
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	9695	4850	4845
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	2025	1010	1015
335	Hydrants	2500	1250	1250
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	3000	1200	1800
341	Transportation Equipment	6521	652	5869
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	100	50	50
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	97160	12812	84348

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	50000		
304	Structures and Improvements	1000	10%	100
307	Wells and Springs	17469	0d%	175
311	Pumping Equipment	4850	10%	485
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	9695	10%	970
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	2025	10%	202
335	Hydrants	2500	10%	250
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	3000	10%	300
341	Transportation Equipment	6521	10%	652
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	100	10%	10
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			3144

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME Rancharos Bonitos**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$	\$
134	Working Funds	578	454.
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	0	0
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	954	1,380
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	1,532	6,521
	TOTAL CURRENT AND ACCRUED ASSETS	\$	\$ 8,355
	FIXED ASSETS		
101	Utility Plant in Service	\$ 83,463	\$ 75,993
103	Property Held for Future Use	0	
105	Construction Work in Progress	0	
108	Accumulated Depreciation – Utility Plant	22,927	12,812.7
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 81,171	\$ 84,348
	TOTAL ASSETS	\$ 81,171	\$ 84,348

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME RANCHEROS BONITOS**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 5,000	\$
232	Notes Payable (Current Portion)		\$ 17,200
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest	0	
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 5,000	\$ 17,200
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$	\$ 17,200
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		67,148
	TOTAL CAPITAL	\$ 81,171	\$ 67,148
	TOTAL LIABILITIES AND CAPITAL	\$ 81,171	\$ 84,348

COMPANY NAME RANCHEROS BONITOS

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$	\$
460	Unmetered Water Revenue	15,525	9866.72
474	Other Water Revenues		
	TOTAL REVENUES	\$ 15,525	\$ 9866.72
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 5674.	\$ 5,525.00
610	Purchased Water		
615	Purchased Power	4889	4264.47
618	Chemicals		
620	Repairs and Maintenance	4,142	2011.67
621	Office Supplies and Expense	1348	
630	Outside Services		
635	Water Testing		800
641	Rents	1,200	1,200
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	64	
403	Depreciation Expense		3144
408	Taxes Other Than Income <i>State Sales</i>	752	539.427
408.11	Property Taxes	1430	2579.33
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 16,679	\$ 20,064.
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$	\$
	NET INCOME/(LOSS)	\$ 7,864	\$ 410,7367

COMPANY NAME

RANCHEROS BONITOS

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	8/21/97	10/5/98	3/29/01	12/01
Source of Loan				
ACC Decision No.				
Reason for Loan	new storage tank	well repairs	Golf Cart	
Dollar Amount Issued	\$ 15,000	\$ 5,000.	\$ 6,521	\$ 10,679.
Amount Outstanding	\$ 0	\$ 5,000.	\$ 6,521	\$ 10,679
Date of Maturity	1/21/00			
Interest Rate	12%.			
Current Year Interest	\$ 0	\$	\$ 0	\$
Current Year Principle	\$ 0	\$ 0	\$ 0	\$

Meter Deposit Balance at Test Year End

\$ /

Meter Deposits Refunded During the Test Year

\$ /

COMPANY NAME

RANCHEROS BONITOS

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
602459	7	250	8	4

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
15,000	2	2,000	1

STATISTICAL INFORMATION

Total number of customers 29

Total number of gallons sold 401,940 gallons

COMPANY NAME Rancho Bonitos YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Don Scarborough
SIGNATURE

5/1/02
DATE

DON SCARBOROUGH
PRINTED NAME

OWNER
TITLE

COMPANY NAME Rancho Los Benitos YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

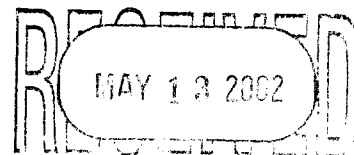
\$ 2579.33

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

NOT REASON

VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Yuma</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>DONALD SCARBROUGH</u>
COMPANY NAME	<u>Rancheros Benitos Water CO</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 10,406.

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 539.

IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

D. Scarbrough
SIGNATURE OF OWNER OR OFFICIAL
928-726-4195
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

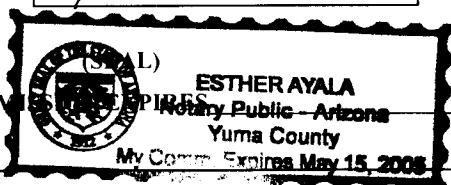
1st

DAY OF

COUNTY NAME	<u>Yuma</u>
MONTH	<u>May</u>
	<u>2002</u>

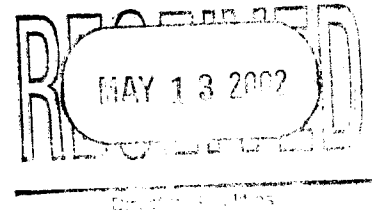
[Signature]
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Yuma</u>	
NAME (OWNER OR OFFICIAL) <u>Don Scarbro</u>	TITLE <u>OWNER</u>
COMPANY NAME <u>RANCHEROS BONITOS WATER CO</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES <u>\$ 10,406</u>

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 539.
IN SALES TAXES BILLED, OR COLLECTED

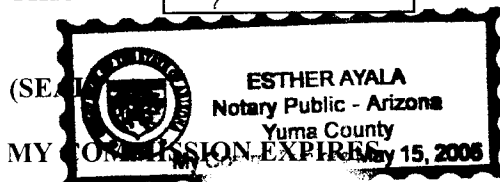
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X [Signature]
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 1st DAY OF



NOTARY PUBLIC NAME <u>Esther Ayala</u>	
COUNTY NAME <u>Yuma</u>	
MONTH <u>May</u>	<u>2002</u>

X [Signature]
SIGNATURE OF NOTARY PUBLIC